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August 6, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk and Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

Re: **South Carolina Energy Freedom Act (H.3659) Proceeding to Establish Duke Energy Carolinas, LLC's and Duke Energy Progress, LLC's Standard Offer, Avoided Cost Methodologies, Form Contract Power Purchase Agreements, Commitment to Sell Forms, and Any Other Terms or Conditions Necessary (Includes Small Power Producers as Defined in 16 United States Code 796, as Amended) – S.C. Code Ann. Section 58-41-20(A)
Docket No. 2019-185-E (Duke Energy Carolinas, LLC)
Docket No. 2019-186-E (Duke Energy Progress, LLC)**

Dear Ms. Boyd:

On January 17, 2020, Duke Energy Carolinas, LLC (“DEC”) and Duke Energy Progress, LLC (“DEP,” and together with DEC, the “Companies”) filed a Motion in the above-referenced dockets requesting the Public Service Commission of South Carolina (the “Commission”) permit the Companies to pay certain qualifying facility (“QF”) Sellers for a temporary period under a rate structure that uses the Companies’ approved avoided energy and avoided capacity credits, together with the Companies’ previously-effective pricing periods (“January 17 Motion”). The temporary rates only apply to QF Sellers that sell power to the Companies under a variable rate schedule (“Variable Rate Sellers”), of which DEC has 13 and DEP has 4. The Companies informed the Commission that the temporary rates would only be in effect until the Companies could install new metering and make necessary billing system updates to support the rate design approved in Order No. 2019-881(A).¹ The temporary rates were also included as attachments to the January 17 Motion.

¹ Amended Order Approving Duke Energy Carolinas, LLC's and Duke Energy Progress LLC's Standard Offer Tariffs, Avoided Cost Methodologies, Form Contract Power Purchase Agreements, and Commitment to Sell Forms, issued Jan. 2, 2020 (Docket Nos. 2019-185-E and 2019-186-E).

The Honorable Jocelyn G. Boyd
August 6, 2020
Page 2

In January 2020, DEP completed the work required to bill Variable Rate Sellers based on the rate design approved by the Commission in Order No. 2019-881(A). DEC completed the necessary work in May 2020. However, the Companies still need a determination from the Commission in response to the January 17 Motion in order to properly credit these Variable Rate Sellers for the period of time from November 30, 2018 (the effective date of the rates established in Order No. 2019-881(A)) until the time when such metering and billing system updates were in place for each utility. Finally, the Companies note that no party has objected to the Companies' January 17 Motion.

The Companies would appreciate a determination from the Commission at its earliest convenience so that they may move forward with the proper credits for these Variable Rate Sellers.

Sincerely,



Rebecca J. Dulin

cc: Parties of Record (via email)
John Dalton, Power Advisory, LLC (via email)
Natanel Lev, Power Advisory, LLC (via email)
Carson Robers, Power Advisory, LLC (via email)